

**MINUTES OF THE REGULAR BOARD MEETING  
OF THE BOARD OF DIRECTORS OF THE  
RAINBOW MUNICIPAL WATER DISTRICT  
DECEMBER 3, 2019**

1. **CALL TO ORDER** - The Regular Meeting of the Board of Directors of the Rainbow Municipal Water District on December 3, 2019 was called to order by President Brazier at 11:06 a.m. in the Board Room of the District, 3707 Old Highway 395, Fallbrook, CA 92028. President Brazier presiding.

2. **ROLL CALL**

**Present:** Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch  
(*arrived at 11:15 a.m.*).

General Manager Kennedy, Legal Counsel Smith, Executive Assistant Washburn, District Engineer Strapac, Operations Manager Gutierrez, Finance Manager Largent, Human Resources Manager Harp, Administrative Analyst Gray.

**Absent:** Director Mack.

No members of the public were present before Open Session. Seven members of the public were present for Open Session.

3. **ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**

Mr. Kennedy requested adding Item #25A to authorize the general manager to make expenditures over the \$50,000 limit to address the damage to the property on Sarah Ann caused by the main line break.

***Motion:***

***Item #25A be added to the agenda.***

***Action: Approve, Moved by Director Hamilton, Seconded by Director Gasca.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 3).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton.***

***Absent: Director Rindfleisch***

President Brazier requested Item #13D to address an urgent matter concerning the Engineering and Operations Committee before their meeting scheduled for December 4, 2019.

***Motion:***

***Item #13D be added to the agenda.***

***Action: Approve, Moved by Director Gasca, Seconded by Director Hamilton.***

(\*) - Asterisk indicates a report is attached.

**Vote: Motion carried by unanimous vote (summary: Ayes = 3).**

**Ayes: Director Brazier, Director Gasca, Director Hamilton.**

**Absent: Director Rindfleisch.**

**4. ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC  
OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING  
CLOSED SESSION AGENDA ITEMS (Government Code § 54954.2).**

There were no comments.

**The meeting adjourned to Closed Session at 11:09 a.m.**

**Director Rindfleisch joined the meeting at 11:15 a.m.**

**5. CLOSED SESSION**

**A. Conference with Legal Counsel-Anticipated Litigation (Government Code §54956.9(d)(2))**

\* Three Items

**B. Appointment, Employment; Evaluation of Performance – General Manager (Government Code §54957(B)(1))**

**6. REPORT ON POTENTIAL ACTION FROM CLOSED SESSION**

**The meeting reconvened at 1:13 p.m.**

Time Certain: 1:00 p.m.

**7. PLEDGE OF ALLEGIANCE**

**8. REPEAT REPORT ON POTENTIAL ACTION FROM CLOSED SESSION**

Legal Counsel reported the Board met in Closed Session to discuss three anticipated litigation items as well as the evaluation of performance for the General Manager and there was no reportable action. He noted the Board voted to reject the Proposition 218 claim.

**9. REPEAT ADDITIONS/DELETIONS/AMENDMENTS TO THE AGENDA (Government Code §54954.2)**

President Brazier announced Item #25A to address the leak and property damage to a residence on Sarah Ann and Item #26A to address a matter related to the committees (this item was originally added as Item #13D under Item #3 herein).

**10. ORAL/WRITTEN COMMUNICATIONS FROM THE PUBLIC  
OPPORTUNITY FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD REGARDING  
ITEMS NOT ON THIS AGENDA (Government Code § 54954.2).**

Mr. Sohrabi introduced himself to the Board noting he has four meters on one of his properties that have been utilized for the last ten years to grow avocados. He said due to hardship with the avocado prices, he has switched to using well water and now has three meters not in use for

(\* ) - Asterisk indicates a report is attached.

which he is paying fixed meter fees totaling \$400 per month. He said he has been diligent to conserve water and now he is paying \$15,000 per year for the three meters he is not using which is too much money. He also pointed out should he remove these meters it will cost \$100,000 each to reinstall them which is not only costly, but these meters may be needed in the event of an emergency. He asked the Board to do something regarding this matter. President Brazier referred Mr. Sohrabi to the Engineering Department who can assist him with this situation.

**\*11. APPROVAL OF MINUTES**

**A.** October 22, 2019 - Regular Board Meeting

**Motion:**

**To approve the minutes.**

**Action: Approve, Moved by Director Gasca, Seconded by Director Hamilton.**

**Vote: Motion carried by unanimous vote (summary: Ayes = 4).**

**Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.**

**\*12. BOARD OF DIRECTORS' COMMENTS/REPORTS**

Directors' comments are comments by Directors concerning District business, which may be of interest to the Board. This is placed on the agenda to enable individual Board members to convey information to the Board and to the public. There is to be no discussion or action taken by the Board of Directors unless the item is noticed as part of the meeting agenda.

**A.** President's Report (Director Brazier)

President Brazier commented on the new and safe workspace the operations department has to work after the flooding of their previous location.

**B.** Representative Report (Appointed Representative)

**1.** SDCWA

**A.** Summary of Board Meeting October 24, 2019

Mr. Kennedy noted there have been two meetings since the RMWD Board met last. He reported the completion of the pipeline repairs at Moosa Creek have been accepted by the Board and how the fiber repairs should have a ten-year life span. He added the Board also adopted a resolution asking San Diego LAFCO to make any vote related to RMWD's potential detachment countywide. He mentioned FPUD and RMWD and one member of the City of San Diego opposed this resolution; however, it did pass.

**2.** CSDA

Mr. Kennedy reported on the recent November CSDA Quarterly Dinner meeting in Director Mack's absence.

**3.** LAFCO

There was no report given.

(\*) - Asterisk indicates a report is attached.

**4. San Luis Rey Watershed Council**

Director Gasca reported the Council anticipates meeting will resume in the near future at which time he will attend.

**5. Santa Margarita River Watershed Watermaster Steering Committee**

Director Hamilton noted the next meeting will be held in January 2020.

**6. ACWA**

There were no comments.

**C. Meeting, Workshop, Committee, Seminar, Etc. Reports by Directors (AB1234)**

**1. Board Seminar/Conference/Workshop Training Attendance Reports**

Director Hamilton announced he completed his AB1234 required training.

**D. Directors Comments**

Director Gasca mentioned he did check in with Director Mack who has provided comments to Mr. Kennedy to share at this meeting in his absence.

**E. Legal Counsel Comments**

**1. Attorney Report: Amendments to Surplus Land Act (501668-0002)**

Legal Counsel summarized the information contained in his written report. It was noted this may be applicable to RMWD in the future.

**13. COMMITTEE REPORTS**

**A. Budget and Finance Committee**

Mr. Stitle reported a rate model study presentation will be provided to the Board at their January meeting, the software update was now producing useful reports, and the audit was essentially complete. He complimented Ms. Largent for her work during the audit process; however, he would not recommend the District utilize the same auditing firm. He thanked the Board for giving him the opportunity to serve on the committee over the past ten years and how this was his last meeting.

**B. Communications and Customer Service Committee**

Director Hamilton reported the committee determined it would be best to have a communication roadmap defining what needs to occur when projects come about requiring communications materials so nothing falls through the cracks. He also noted the committee will develop a plan of action for communications moving forward on which the Board will be kept apprised.

(\* ) - Asterisk indicates a report is attached.

C. Engineering and Operations Committee

Mr. Nelson reported the committee continues its review numerous projects, but most importantly Items #20 and #21 for which the committee recommends Board approval.

President Brazier requested that each recommendation voted on by the Committee be brought to the Board's attention in either the oral reports or agenda item Action Letters.

**BOARD ACTION ITEMS**

**\*14. CONSIDER APPROVAL OF A MEMORANDUM OF UNDERSTANDING WITH THE FALLBROOK PUBLIC UTILITY DISTRICT FOR WATER RESOURCE DEVELOPMENT AND EMERGENCY WATER SUPPLY**

Mr. Kennedy gave a brief presentation on the Water Resource Development and Emergency Supply MOU noting this matter was in alliance with the RMWD Strategic Plan objectives. He explained the project will cost approximately \$1.4 Million; however, FPUD and Camp Pendleton have jointly applied for and received half of those costs in a grant resulting in RMWD's cost share being \$105,000.

Director Gasca stated there were some areas written very generic which he would like to have appropriately modified to include specifics, i.e., the second to the last paragraph on the first page where it states "pursue alternative supplemental water supplies for the benefit of the public". He said it's a financial benefit RMWD was looking at for its ratepayers; therefore, he would like to see it a little more specific in this regard. Mr. Kennedy said this went through a few renovations with RMWD's legal staff, but Legal Counsel can speak with Ms. De Sousa to see what can be revised. He added it's contemplated there may be other opportunities to pursue with all parties involved having the same interest to developing local supplies. Director Gasca clarified having the appropriate modifications made by Legal Counsel will suffice without bringing this back to the Board for approval.

Director Rindfleisch inquired as to FPUD's contribution amount. Mr. Kennedy answered the remaining amounts on the 50/50 on the base and FPUD was his understanding. Director Rindfleisch factoring in the potential savings to RMWD and its ratepayers would be great to see what type of return on investment the \$105,000 will potentially provide. Mr. Kennedy stated although the exact costs, but attempts were made to build a cost of source of supply as low or lower than RMWD's wholesale supply. He noted there was a benefit to having a local supply in the case of outages that has a premium over the wholesale costs.

***Motion:***

***Adopt Option 2 - Request language modifications to the MOU without presentation to the Board at a future Board Meeting.***

***Action: Approve, Moved by Director Hamilton, Seconded by Director Gasca.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 4).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.***

(\* ) - Asterisk indicates a report is attached.

**\*15. CONSIDER ADOPTION OF A RESOLUTION OF APPLICATION AUTHORIZING THE GENERAL MANAGER TO PREPARE AND SUBMIT AN APPLICATION TO THE SAN DIEGO LOCAL AGENCY FORMATION COMMISSION TO DETACH FROM THE SAN DIEGO COUNTY WATER AUTHORITY AND ANNEX TO EASTERN MUNICIPAL WATER DISTRICT**

Mr. Kennedy gave a presentation noting this item was to authorize the General Manager to prepare an application for submittal as well as modify and provide supplemental information materials that San Diego LAFCO may require during the process for the detachment for exclusion of territory for the RMWD from the SDCWA and the subsequent annexation to EMWD. He pointed out there are some small pipeline and pump station improvements needed to be made into RMWD's southern service area to handle its peak summertime demands that are noted in some of the studies attached to the application resolution. He talked about how the impact of this detachment to other SDCWA member agencies will be small; however, RMWD's rate model shows if a change in supplier does not take place, the accumulative rate increases to RMWD customers over the next several years will be 25%. He mentioned FPUD and RMWD have been trying diligently to meet with SDCWA and other SDCWA member agencies to find if there was a way to detach without protracted legal interactions. He concluded with reviewing the steps that would be taken should the Board approve the resolution.

Claire Collins introduced herself as SDCWA's Special Counsel. She noted she provided a letter yesterday, but she was here to address the bigger picture. She stated RMWD is and for the foreseeable future will continue to be one of SDCWA's very important members. She said SDCWA sees their role in the proposed detachment proceeding as facilitating the sharing of information for the benefit of all the SDCWA member agencies, including RMWD and FPUD. She said SDCWA staff was trying to obtain as much information as possible and how the information provided at this meeting today may assist SDCWA understand RMWD's position better.

Ms. Collins shared a few facts surrounding the proposed action from SDCWA's perspective. She said the first would be the known unknowns. She stated this was an unprecedented action to detach from SDCWA; therefore, the known unknowns include; 1) how the process will unfold before LAFCO; 2) what the conditions of detachment will be; and 3) how it will affect customers both within and outside RMWD. She pointed out a notable issue is what amount RMWD will need to pay into SDCWA to compensate for RMWD's share of the contractual and other obligations that have been entered into which SDCWA claims this issue has been relatively ignored in this process and must be an important part of the path forward. She added other significant issues which have been raised are related to infrastructure and environmental matters such as the connection.

Ms. Collins talked about the importance of agricultural users and how important they are to SDCWA and the rate consideration, including TSWAR. She said the final issue was liability being the core consideration with cost and how it compromises reliability which is critical for ensuring continued help with the agricultural sector.

Ms. Collins summarized her comments stating, SDCWA does believe this is premature and the analysis has been done at a programmed level analysis as opposed to project level analysis. She said based on this information, SDCWA would ask for delayed action on this item until SDCWA can review the more detailed analysis and again collaborate on potential paths forward with RMWD and FPUD.

Rodney Smith introduced himself as a new RMWD customer residing on Garrano Lane. He requested all the studies related to water supply reliability and water rates upon which RMWD was relying as it prepares and submits an application to San Diego LAFCO be made available for public review and comment. He expressed why he was concerned the water supplies of MWD are not being as reliable as that of SDCWA and encouraged RMWD to engage in a much better risk assessment and how responsible decision making has to be based on strong analytical and factual foundation. He concluded with stating as the District proceeds with assessing its strategic alternatives, the consequences for water supply reliability and long-term water rates should be thoroughly and publicly vetted.

Mr. Kennedy pointed out the copy Mr. Smith had from July was a draft RMWD provided to SDCWA's General Counsel for comment which have not yet been received. He told Mr. Smith he would be happy to discuss any comments he has on the report.

Director Gasca addressed some of the comments made by Ms. Collins and Mr. Smith as requested by the Board. He assured Mr. Smith that reliability is and has been one of the most foremost concerns on the mind of the Board as noted by the previous resolution to enhance RMWD's reliability by the interfaces with FPUD. He noted one of the items the RMWD Board must also take into consideration is the financial aspects of running the District. He mentioned after analyzing and looking at the entire system, it was end of life for RMWD's system which has been proven to be accurate with the lines prioritized in the top ten starting to blow out. He reiterated the entire system is end of life at 50 years; therefore, at a fiduciary standpoint, the Board has to look at the best means for providing reliable service to the customers as well as keep the costs down as much as possible. He said with over 60% of the water being purchased by agricultural users, just adding another rate on top of RMWD's current rates is not the solution. He stated RMWD has to either find its own water and go 100% to conserve as much money as possible to replace the system or find another place to get that money. He explained the detachment allows RMWD to find that other money that will allow the District to implement a pipeline replacement system program as well as retain or reduce its current rates. He reiterated the Board would be shirking their fiduciary responsibility if they did not try to find whether this was viable.

Mr. Smith stated he appreciates Director Gasca's perspective as well as the dialog. He clarified he was merely suggesting the Board to look deeper into the analysis that is open for public review and comment. He said as a RMWD customer, he expected the Board to always look at the District's strategic opportunities and how he was not present today to advocate not to do so, but rather to advocate the District conduct a top-drawer job. Director Gasca pointed out this was exactly what this process does in that it is totally transparent with those affected to have an opportunity to comment through the process. He clarified all it really does should there be a positive vote at LAFCO was put a vote before the people so the ratepayers can decide. Mr. Smith suggested more priority on public review and comments in the process of these types of issues

Director Gasca addressed Ms. Collins comments noting in the final analysis, a great deal of what this pertains to is the right of self-determination. He said he has read the SDCWA law and how it gives RMWD the right to exit and that it does not state anywhere an exit fee is required. He mentioned although this may be levied on RMWD by LAFCO which is within their purview and will be accepted by RMWD; however, when looking at the language he saw, there are affected parties and interested parties. He said the affective parties are the agencies who will lose somebody and the agency that will gain somebody. He stated it was pretty clear all the member agencies within SDCWA are interested parties. He reiterated RMWD would be shirking its fiduciary responsibility if a most economical way is found to pay for what is before the District in order to provide reliable water with an intact system and not have it cost so much customers like

the one present today goes out of business. He stressed RMWD was painted into a corner effectively by its responsibilities and by the nature of the economy in order to find the best way to help the customers survive in the businesses and livelihoods and get the District's job done responsibly.

Director Gasca continued by noting RMWD had representation at SDCWA as this matter developed. He stated he was appalled SDCWA did not have a general manager, deputy general manager, Board President or Vice President of the Board present today to discuss what RMWD and others consider a significant matter. He reiterated it was self-determination and not someone telling the District what they will and will not do. He pointed out RMWD's 1% was not SDCWA's problem, but rather what will happen when all of the other bigger entities such as the City of San Diego roll off and the significant consequences that will have on the remainder of the County. He stated RMWD was fortunate through the efforts of Mr. Kennedy and the analysis conducted by FPUd to have an opportunity to try to work through the District's issues to try and protect its ratepayers. He expressed concern for all the remaining agencies ratepayers going to be stuck in with SDCWA when the big cities start rolling off because they, and possibly RMWD and FPUd should this detachment process fail, will be left in the position of having to pay higher rates. He noted he is convinced there is always a way to find a solution and how other agencies will do the same going forward. He said any potential solutions for spending more to develop infrastructure that may not be needed is myopic when everyone continues to decrease their water use. He pointed out the agencies need to start looking internally at how to do the best they can to get themselves financially sound because what is coming is not good which in turn will affect a great many people throughout this County.

Mr. Kennedy shared the comments Director Mack provided in his absence indicating he wanted it stated he was 100% in support of this action.

***Motion:***

***To approve Option 1 - Approve the Resolution of Application directing the General Manager to prepare and submit an application to San Diego LAFCO for the detachment of the District from the San Diego County Water Authority and annexation into the Eastern Municipal Water District and provide any and all additional or supplemental forms, data, information, plans and documentation as the San Diego Local Agency Formation Commission may request during the processing of the application.***

***Action: Approve, Moved by Director Gasca, Seconded by Director Hamilton.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 4).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.***

- \*16. CONSIDER APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT WITH CONCORD ENVIRONMENTAL ENERGY INC, DBA CONCORD UTILITY SERVICES FOR A DISTRICTWIDE METER REPLACEMENT AND WATER SERVICE UPGRADE PROJECT AND AUTHORIZE THE GENERAL MANAGER TO SIGN THE AGREEMENT ON THE DISTRICT'S BEHALF**

Mr. Kennedy pointed out this contract was to get Concord Utility Services started on the process based on the project scoping staff has been working on with Concord. He noted the total estimated cost was approximately \$7 Million to completion. He cautioned the Board there were numerous unknowns associated with this project. He stated although the costs may go higher,

(\*) - Asterisk indicates a report is attached.

he was extremely confident it will total well below the \$10.7 Million originally contemplated under the previous contractor. He reported this agreement went through a series of revisions with RMWD's Legal Counsel and Concord's Legal Counsel regarding indemnity. He stated it was important to know any failures that are not clearly demonstrably Concord's fault, RMWD will work with the homeowner to resolve those issues. He concluded with noting RMWD's Legal Counsel reviewed the indemnity clause included in the agreement.

Legal Counsel stated the indemnity was not as strong as it would be normally; however, after considering all the fact it was found to be reasonable and quite efficient for protecting RMWD.

Mr. Kennedy stated staff was ready to move on the project and the Communications and Customer Service Committee was working on rolling out the communications plan.

***Motion:***

***To approve Option 1 – Authorize the General Manager to execute the Professional Service Agreement with Concord Energy Services DBA Concord Utility Services.***

***Action: Approve, Moved by Director Hamilton, Seconded by Director Rindfleisch.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 4).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.***

**\*17. DISCUSSION AND POSSIBLE ACTION TO ADOPT THE RECOMMENDATIONS IN THE MID-YEAR STAFFING ANALYSIS FOR FISCAL YEAR 2019-2020**

Ms. Harp presented the 2019-2020 Mid-Year Staffing Analysis. She recalled how in 2019 she had reviewed some trends in unemployment rates, the turnover RMWD experienced, and how a position was created in late September 2018 which did not allow for much time to evaluate those changes. She explained since that time, RMWD has had a new Finance Manager in place through an entire annual budget cycle which allows for a more in-depth staffing analysis to include issues in the customer service department, some financial controls opportunities for improvement, staffing capacity constraints, and labor use as compared to what had been predicted before creating the new Customer Service Supervisor position as well as some risks and vulnerabilities that have been identified. She noted staff has come up with a proposal for Board consideration that will result in budget reductions.

Ms. Harp made mention of some of the proposed changes to include redesigning the Customer Service Department Supervisor role, restoring the Senior Accountant position, and creating an IT department. She pointed out the benefits to these proposed changes as well as the risks of status quo. She reviewed the fiscal impact and value to the ratepayers.

Director Rindfleisch inquired about incremental expense associated with expanding the current IT position to an IT management position. Ms. Harp explained it would be up one pay grade from its current position and how there is 15% between each pay grade with significant overlap in those pay grades. Mr. Kennedy pointed out there would be additional duties associated with the IT management position including taking on a supervisory and managerial role. Director Rindfleisch said he would anticipate some sort of material pay grade increase for the reclassification and responsibility of the IT Manager position. Ms. Harp acknowledged this was the case, but it would be less than the \$50,000 net budget reduction she shared earlier.

Director Rindfleisch asked about the Senior Accountant position being shown as a line item of \$150,000 incremental expense. He wanted to know how much of that was salary. Ms. Harp said she used a 68% above the base pay for the cost of benefits. He requested the lower and upper bounds of the base pay for this position. Ms. Harp pointed out this was provided in the next agenda item in the list of salary and job titles.

President Brazier noted the information provided shows \$150,000 for the Senior Accountant, but not a reduction in costs from the position previously held by the employee. She asked if the \$150,000 was in addition to what was currently being earned by the employee. Ms. Harp explained the Senior Accountant was a new job classification; therefore, she showed the full cost of the Senior Accountant, the difference in cost for the Customer Service Supervisor job redesign. Mr. Kennedy confirmed the Senior Accountant position was on the books for many years but has been inactive. Ms. Harp confirmed the total headcount would increase by one.

Director Gasca asked if the total annual cost on the District budget would be reduced by \$52,000. Mr. Kennedy confirmed this was true.

Discussion ensued.

President Brazier asked after losing customer service responsibilities what new responsibilities will the Senior Accountant take on. Ms. Harp although they will vary, the new responsibilities will include software work, assisting with high call volumes, more finance-related tasks. President Brazier said she gets a great deal of feedback from Division 1 constituents who complain about attitude and lack of knowledge when dealing with RMWD's customer service. Mr. Kennedy explained it was part of the reorganization to have a position focus more directly on customer services matters to get the appropriate training in place. Ms. Harp confirmed the finance responsibilities will be move from Customer Service and Communications Supervisor role to the Senior Accountant.

Director Gasca asked who addresses security matters. Ms. Harp explained the various positions tasked with addressing a variety of security related issues.

Director Hamilton inquired as to whether RMWD had a person to handle facilities. Mr. Kennedy stated Mr. Williams fills this role. Director Hamilton asked Ms. Harp to provide a breakdown of the burden rate she mentioned in the presentation. Ms. Harp agreed to prepare a report for the Board.

Director Rindfleisch clarified the only position open for external recruitment is the Information Systems Specialist. Ms. Harp confirmed this would be true unless there is an internal candidate qualified for this position.

***Motion:***

***Adopt the recommendations in the Mid-Year Staffing Analysis for Fiscal Year 2019/2020.***

***Action: Approve, Moved by Director Gasca, Seconded by Director Hamilton.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 4).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.***

(\*) - Asterisk indicates a report is attached.

**\*18. DISCUSSION AND POSSIBLE ACTION TO APPROVE RESOLUTION NO. 19-13 — A RESOLUTION OF THE BOARD OF DIRECTORS OF RAINBOW MUNICIPAL WATER DISTRICT ESTABLISHING CLASSIFICATIONS AND MONTHLY PAY RANGES FOR DISTRICT EMPLOYEES AND THE GENERAL MANAGER EFFECTIVE DECEMBER 3, 2019 THROUGH JUNE 30, 2020**

Ms. Harp noted this item allows staff to enact what the Board approved under Item #17. She pointed out this item creates the new job classifications on RMWD's salary grade structure required to maintain by CalPERS. She noted structure adds the IT Manager position, Senior Accountant, Customer Service and Communications Supervisor positions as well as the series classification that shows as three. She noted the Senior Accountant Position can be found in salary range E8. She mentioned she performed compensation analysis for each of these positions to ensure they were placed in the appropriate pay grade.

Director Rindfleisch inquired as to the educational requirements for the Senior Accountant. Ms. Harp explained qualifications commensurate with a master's degree and how this one also asks for Certified Public Accountant as well.

***Motion:***

***Approval of Option 1 - Approve Resolution No. 19-13 as presented and direct staff to finalize job descriptions and fill the new positions.***

***Action: Approve, Moved by Director Hamilton, Seconded by Director Gasca.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 4).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.***

**\*19. DISCUSSION AND POSSIBLE ACTION TO ADOPT RESOLUTION NO. 19-14, APPROVING ADDENDUM C TO THE MEMORANDUMS OF UNDERSTANDING BETWEEN THE RAINBOW MUNICIPAL WATER DISTRICT AND THE RAINBOW EMPLOYEES ASSOCIATION AND THE RAINBOW ASSOCIATION OF SUPERVISORS AND CONFIDENTIAL EMPLOYEES**

Ms. Harp explained this item was to replace the current Addendum in the existing non-exempt unit MOU's per the DREAM Team clause found in those same MOU's. She noted the DREAM team came to agreement with minor changes to include logo apparel for attendance at public events, conferences, or at the District offices. Ms. Harp clarified the District purchases the logo attire and it must be returned upon separation from the District.

***Motion:***

***To approve Option 1 - Approve Resolution No. 19-14 Approving Addendum C.***

***Action: Approve, Moved by Director Hamilton, Seconded by Director Rindfleisch.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 4).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.***

(\*) - Asterisk indicates a report is attached.

**\*20. DISCUSSION AND POSSIBLE ACTION TO AWARD THREE PROFESSIONAL SERVICES AGREEMENTS TO PROVIDE AS-NEEDED ENVIRONMENTAL SERVICES**

Mr. Strapac explained this item proposed awarding agreements with three environmental firms for as-needed tasks up to \$100,000. He noted these firms will provide extensive training CEQA laws and other environmental aspects as well as knowledge in how to tailor language in different circumstances.

Mr. Strapac confirmed the Engineering Committee has reviewed and recommended Board approval of this item. President Brazier requested the committee recommendation be included in future Board Action Letters.

Director Rindfleisch asked if the contract includes all three firms or would each have their own contract. Mr. Strapac clarified each of the firms would have their own contract with a cap of \$100,000.

President Brazier requested the Board be informed at the end of the budget year as to how much allocation has been used and what will roll over. Mr. Strapac noted the recurring reports will summarize these services for the Board's reference.

***Motion:***

***To approve Option 1 - Authorize staff to award three Professional Services Agreements in the amount of up to but not to exceed \$100,000 each to Helix, Rincon, and Michael Baker.***

***Action: Approve, Moved by Director Gasca, Seconded by Director Rindfleisch.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 4).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.***

***President Brazier called for a break at 3:07 p.m.***

***The meeting reconvened at 3:16 p.m.***

**\*21. DISCUSSION AND POSSIBLE ACTION TO AWARD TWO PROFESSIONAL SERVICES AGREEMENTS TO PROVIDE AS-NEEDED CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES**

Mr. Strapac pointed out this item was for two firms to provide "as-needed" construction management and inspection services.

Director Rindfleisch asked how long it will take to meet the \$150,000 threshold. Mr. Strapac explained with overlapping construction projects could mean expended this amount in one year. Director Rindfleisch inquired as to the approval process. Mr. Strapac talked about the approval process which rests within his responsibility with Mr. Kennedy's review periodically.

Director Hamilton inquired what limits are imposed in these as-needed services contracts. Mr. Kennedy stated the limits under the contract not to exceed \$150,000; therefore, when the monthly as-needed report is prepared, it needs to be reviewed. He added these are all out of the Capital budget as a part of the pipeline work.

(\*) - Asterisk indicates a report is attached.

It was confirmed this was the last of the “as-needed” contracts.

Director Rindfleisch asked if any of these as-needed contractors will be called upon in the event RMWD grows beyond staff capacity. Mr. Strapac confirmed this would be correct. Director Rindfleisch requested the as-needed services be watched closely during the evaluation process to ensure work is not offloaded to the contractors unnecessarily. Mr. Kennedy pointed out the District’s EAM software will assist with ensuring this does not happen.

Director Gasca inquired as to the hours of as-needed contractors are tracked. Ms. Gray explained there would be a way to track the as-needed contractor hours, location of the work being conducted, as well as the developer projects that could be reimbursable to RMWD via the EAM program.

***Motion:***

***To approve Option 1 - Authorize staff to award two Professional Services Agreements in the amount of not to exceed \$150,000 each to Harris & Associates and Reilly Construction Management.***

***Action: Approve, Moved by Director Hamilton, Seconded by Director Rindfleisch.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 4).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.***

**\*22. DISCUSSION AND POSSIBLE ACTION ON AGREEMENT TO ASSUME JOINT AGREEMENT TO IMPROVE MAJOR SUBDIVISION, JOINT LIEN CONTRACT AND HOLDING AGREEMENT**

Mr. Strapac explained this was related to what was formerly known as the Polo Club now named the Bonsall Oaks and how due to the change, there was a need to assume joint agreement, subdivision agreements, and other contracts that need to be resigned by the District. He mentioned the project plans were signed quite some time ago and how he had signed improvements plans not too long ago and have been approved for some time.

It was confirmed the grading permits have already been obtained.

Director Hamilton asked about the 167 lots in the development with 82.3 Equivalent Dwelling Units. Mr. Kennedy noted approximately one-half of the capacity fees were paid previously which explains the difference.

***Motion:***

***To approve Option 1 - Authorize the General Manager to Execute the Agreement to Assume Joint Agreement to Improve Major Subdivision, Joint Lien Contract and Holding Agreement.***

***Action: Approve, Moved by Director Gasca, Seconded by Director Rindfleisch.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 4).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.***

(\*) - Asterisk indicates a report is attached.

**\*23. CONSIDER ESTABLISHING THE 2020 REGULAR BOARD MEETING SCHEDULE**

Ms. Washburn pointed out in the Action Letter for this item it was mentioned there were some conflicts with the current fourth Tuesday of the month schedule due to conferences being held on RMWD meeting dates in August and December.

Director Hamilton recommended moving the August 25, 2020 meeting to August 18, 2020 and the December 1, 2020 meeting to December 8, 2020 to eliminate the conflicts.

President Brazier stated the Board would be considering an amended 2020 Regular Board meeting schedule to include January, February, March, April, May, June, July, September, and October on the fourth Tuesday of each month, August on the third Tuesday of the month, and December on the second Tuesday of the month.

***Motion:***

***To acceptance of the proposed amended agenda as presented by President Brazier.***

***Action: Approve, Moved by Director Hamilton, Seconded by Director Gasca.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 4).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.***

**\*24. ACWA NOMINATION AND ELECTION FOR PRESIDENT AND VICE PRESIDENT FOR THE 2020-2021 TERM**

Mr. Kennedy explained ACWA was holding a floor nomination on December 4, 2019 at the ACWA Fall Conference. He pointed out in order to participate in the process, one of the Board Members in attendance would need to be designated as the RMWD's proxy.

***Motion:***

***Director Hamilton to serve as RMWD's proxy in the ACWA nomination and election with RMWD's vote to be for the recommended slate by ACWA.,***

***Action: Approve, Moved by Director Rindfleisch, Seconded by Director Gasca.***

***Vote: Motion passed (summary: Ayes = 3, Noes = 1, Abstain = 0).***

***Ayes: Director Brazier, Director Gasca, Director Rindfleisch.***

***Noes: Director Hamilton.***

**\*25. SAN DIEGO LAFCO ELECTION TO SPECIAL DISTRICTS ADVISORY COMMITTEE**

Mr. Kennedy noted he was selected four years ago to serve on the San Diego LAFCO Special Districts Advisory Committee. He noted Rich Williamson was no longer a candidate.

***Motion:***

***To vote for the five incumbents plus Albert Lau of Santa Fe Irrigation District.***

(\*) - Asterisk indicates a report is attached.

**Action: Approve, Moved by Director Hamilton, Seconded by Director Gasca.**

**Vote: Motion carried by unanimous vote (summary: Ayes = 4).**

**Ayes: Director Brazier, Director Gasca, Director Hamilton, Director Rindfleisch.**

**25A. EMERGENCY DECLARATION**

Mr. Gutierrez presented pictures and information related to the water break that occurred on Sarah Ann Lane. He talked about the steps that took place after following the pulse point alert received by one RMWD operator. He talked about the damage incurred to the residence and vehicles belonging to the homeowners. He walked the Board through the work conducted by the RMWD crews and how bottle water was provided to the other homeowners who experienced interrupted water service. He mentioned since those employees who were on the job worked 18 hours the day before, those employees did not report to work the next day due to safety leave.

Mr. Kennedy mentioned the property owners have a wedding reception planned to be held at this residence which also adds to the urgency of this matter.

Discussion ensued regarding how this broken pipe was to be fixed as part of the Pipeline Upgrade Program.

Mr. Kennedy explained he was seeking authorization to manage the processes related to leak and the damage caused. Mr. Gutierrez pointed out RMWD offered hotel accommodations to the homeowner; however, the homeowner declined the offer.

Discussion followed regarding plans for making repairs to prevent a recurrence.

**Director Rindfleisch excused himself from the meeting at 3:52 p.m.**

**Motion:**

**To authorize the General Manager to do whatever is necessary.**

**Action: Approve, Moved by Director Hamilton, Seconded by Director Gasca.**

**Vote: Motion carried by unanimous vote (summary: Ayes = 3).**

**Ayes: Director Brazier, Director Gasca, Director Hamilton.**

**Absent: Director Rindfleisch, Director Mack.**

**\*26. BOARD MEMBER REQUESTS FOR AUTHORIZATION TO ATTEND UPCOMING MEETINGS / CONFERENCES / SEMINARS**

There were no requests made.

(\*) - Asterisk indicates a report is attached.

## 26A. COMMITTEES

President Brazier pointed out this was an item she requested to be on the agenda particularly related to RMWD's Engineering and Operations Committee. She asked Legal Counsel to please inform the Board of Directors and audience as to what relationship between The Brown Act and the Committees.

Legal Counsel stated under both the Administrative Code and Government Code, committees are subject to the provisions of The Brown Act. He said The Brown Act uses the term legislative bodies which it defines to include committees except for ad hoc committees or a committee for a defined purpose for a defined period of time. He noted the standing regular committees must comply with the provisions of The Brown Act.

President Brazier clarified the reason this item was requested was due to her being inadvertently being included in a chain of a group of unauthorized conversations among members of the RMWD Engineering and Operations Committee. She said she was particularly distressed with some of the items discussed in the chain and as such she requested the Board support her request to suspend the RMWD Engineering and Operations Committee activities for December and January to allow time to educate the members regarding this matter and the policy.

Mr. Kennedy asked for clarification if the Board would be providing direction on how to proceed with this matter. Director Hamilton and President Brazier confirmed this would be addressed by the Board at their January 2020 meeting. It was confirmed this would be an agenda item.

President Brazier said she would take the responsibility of following up on Ms. Washburn's email to the RMWD Engineering and Operations Committee members notifying them of the temporary suspension.

***Motion:***

***To suspend the activities of the RMWD Engineering and Operations Committee temporarily through December and January.***

***Action: Approve, Moved by Director Gasca, seconded by Director Hamilton.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 3).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton.***

***Absent: Director Rindfleisch, Director Mack.***

## \*27. RECEIVE AND FILE INFORMATION AND FINANCIAL ITEMS

- A. General Manager Comments**
  - 1. Meetings, Conferences and Seminar Calendar
- B. Communications**
  - 1. Staff Training Reports
- C. Operations Comments**
  - 1. Operations Report
- D. Engineering Comments**
  - 1. Engineering Report
  - 2. As-Needed Services Expenditures Summary

(\*) - Asterisk indicates a report is attached.

**E. Human Resource & Safety Comments**

1. Human Resources Report
2. Organizational Chart

**F. Finance Comments**

1. Monthly Financial Statements
2. Credit Card Breakdown
3. Directors' Expense
4. Check Register
5. Water Sales Summary
6. RMWD Sewer Equivalent Dwelling Units (EDU's) Status

Mr. Gutierrez shared the local news has reported the City of Poway was under a boiled water notice and how SDCWA has asked for RMWD assistance to help with the flushing and testing of the water. He noted four people will be sent from RMWD on Thursday and another four on Friday to assist with the water sampling. He offered to provide an update at the January Board meeting.

Ms. Harp reported RMWD does not provide insurance coverage for projects such as the SDCWA shutdown.

***Motion:***

***To receive and file information and financial items.***

***Action: Approve, Moved by Director Gasca, Seconded by Director Hamilton.***

***Vote: Motion carried by unanimous vote (summary: Ayes = 3).***

***Ayes: Director Brazier, Director Gasca, Director Hamilton.***

***Absent: Director Rindfleisch, Director Mack.***

**28. LIST OF SUGGESTED AGENDA ITEMS FOR THE NEXT REGULAR BOARD MEETING**

It was noted the committee policy, pressure stations, two engineering projects out for bid, Closed Session, report on the fair market value for the Bonsall Reservoir, audited financial statements presentation, update on the rate model study, and running total of water usage against plan reinstated into the information items.

**29. ADJOURNMENT**

***The meeting was adjourned by President Brazier to a regular meeting on January 28, 2020 at 1:00 p.m.***

The meeting was adjourned at 4:01 p.m.

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**Helene Brazier, Board President**

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**Dawn M. Washburn, Board Secretary**

(\* ) - Asterisk indicates a report is attached.